

concerned with whether their supplier makes it or whether the supplier gets someone else to make it. That is, one is sometimes in the mode of a value-added reseller (VAR). A VAR also manages customer requirements for the product. However, the VAR may or may not be directly involved with transforming the requirements in every stage of product development. A VAR needs bidirectional traceability for every transformation and decomposition of customer requirements that occurs within and is in direct control of its organization. It is typical not to impose a specific REQM process within the supplying organization. Neither would a VAR document the supplier's REQM process within its own REQM plan. The VAR's REQM plan may, therefore, only call for bidirectional traceability between the customer requirements and acceptance testing of what the supplier provides.

In this article, I discussed how CMMI — combined with LSS — has helped CELCMC's SEC provide better products faster and cheaper. Likewise, I introduced you to REQM plans that provide products for customers and the importance of clarifying customer requirements early in the process. In my follow-on article next issue, I will discuss REQM planning for projects that provide customers with services and skilled personnel.

HARLAN BLACK is the REQM Process Owner for CELCMC's SEC. He is a computer scientist and holds a B.A. in mathematics from Loyola College and an M.S. in computer science from Atlanta University. Additionally, he holds an M.A. in education from Johns Hopkins University. Black is an LSS black-belt candidate. He is an Army Acquisition Corps member and is Level III certified in systems planning, research, development and engineering.



Contracting Community Highlights



This issue's feature article highlights the concerted effort made by the Health Care Acquisition Activity to optimize the quality of life for our injured Soldiers. The article offers a behind-the-scenes view of their support to the Walter Reed Army Medical Center Amputee Center, Washington, DC.

In addition to the feature article and the regular *DAR* Council Corner, we pass on news from the contracting career management office and a number of our contracting organizations including news from the Army Contracting Agency-Pacific Region about short-term housing for Soldiers redeploying from the global war on terrorism. We also highlight the Surface Deployment and Distribution Command's critical role in shipping Soldier's privately owned vehicles.

We appreciate support from the field in providing material for publication, and we hope you are finding the submissions informative and interesting. For more information, contact Emily Clarke at (703) 604-7102/DSN 664 or emily.clarke@hqda.army.mil.

Ms. Tina Ballard

Deputy Assistant Secretary of the Army
(Policy and Procurement)

Health Care Acquisition Activity (HCAA) Supports Amputee Center

Business Operations Branch

Led by COL Earle Smith II, Commander/Principal Assistant Responsible for Contracting (PARC), the HCAA supports the Army's worldwide medical mission. Assigned to the U.S. Army Medical Command (MEDCOM) at Fort Sam Houston, TX, the dedicated acquisition staff has healthcare acquisition experience and is well versed in the unique requirements of medical professional services such as credentialing,

privileging, licensure, certification and incentives. The HCAA staff is also familiar with the regulatory agencies that define requirements for medical professionals and healthcare support activities at the medical treatment facilities (MTF). Execution of responsibilities is based on priorities established by policies and directives from the Office of the Surgeon General, Falls Church, VA, and MEDCOM.

HCAA has seven offices, the Center for Health Care Contracting (CHCC), Fort Sam Houston, and six regional contracting offices (RCOs):

- Europe RCO — Landstuhl Regional Medical Center, Germany.
- Great Plains RCO — Brooke Army Medical Center (AMC), Fort Sam Houston.
- North Atlantic RCO (NARCO) — Walter Reed Army Medical Center (WRAMC), Washington, DC.
- Pacific RCO — Tripler AMC, Honolulu, HI.
- Southeast RCO — Fort Gordon, GA.
- Western RCO — Madigan AMC, Fort Lewis, WA.

Contracting Services

CHCC awards and administers master contracts on a variety of medical professional services including physicians, nurses, transcription services, reference laboratory services, imaging maintenance services, dentists, pharmacists and numerous ancillary services. In addition, HCAA contracts for other services in support of the healthcare mission, including hospital housekeeping, laundry and linen distribution and regulated/hazardous medical waste disposal. The RCOs support the MTFs in their regional command by writing task orders against master contracts or awarding contracts. Using innovative procurement techniques, HCAA awarded \$1.1 billion in healthcare professional and support services for FY05.

Of exemplary note is NARCO's support of the WRAMC Amputee Center. NARCO has worked

extensively with WRAMC by providing \$26 million in contract support for its Amputee Center. The Amputee Center is dedicated to providing state-of-the-art prosthetic technology and the highest quality of comprehensive care for Soldiers, Sailors, Airmen and Marines returning from *Operations Enduring* and *Iraqi Freedom* with upper- and lower-extremity amputations.



NARCO contracted for the services of three full-time prosthetists who design, fabricate, fit and train individuals in the use of the prosthetic devices. Here, Dennis Clark, a prosthetist at WRAMC uses a heater to melt and reshape a socket for a better fit. (U.S. Army photo by SPC Lorie Jewell.)

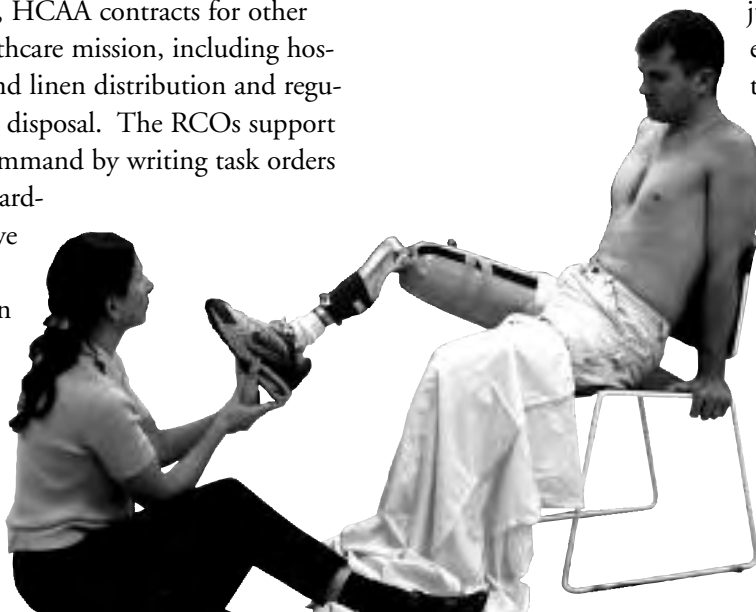
Helping Wounded Soldiers Recover

NARCO leverages multiple contracting vehicles to fulfill a wide variety of requirements to optimize the injured warfighter in achieving the highest levels of physical, psychological and emotional function and, ultimately, returning to active duty. NARCO contracted for the services of three full-time prosthetists who design, fabricate, fit and train individuals in the use of the prosthetic devices. Because of the high volume of amputees and the possibility of

each amputee receiving as many as 9 or 10 specialty or activity devices, the services of a prosthetic lab were contracted to increase the variety and availability of prosthetic devices.

Multiple blanket purchase agreements (BPAs) with 8 specialty vendors were negotiated to supply the necessary prosthetic supplies and/or devices at a 10-percent cost reduction. In addition, a 70-percent cost reduction was negotiated

when BPAs were used in conjunction with the upper-extremity vendor contract for terminal end devices. This resulted in a cost avoidance of \$288,452 off the Medicare bill rate. The use of BPAs was determined most advantageous as these contractual vehicles



The WRAMC Amputee Center has provided 490 Soldiers suffering traumatic amputations with the ability to return to an active functional lifestyle. Here, Barri Miller, WRAMC Orthopedic Amputee Center, raises a patient's prosthetic leg to ensure motion-sensing digital cameras can see reflectors placed on it. (U.S. Army photo by Michael E. Dukes.)

maximized discounts from multiple suppliers and provided for immediate ordering and receipt of highly detailed and specific prosthetics supplies and specialty medical services that are not otherwise provided. NARCO's contracting expertise has allowed the Amputee Center to accomplish this important medical mission. They have been able to provide 490 Soldiers who suffered traumatic amputations with the ability to return to an active functional lifestyle. In many cases, Soldiers are fitted with the appropriate socket and prosthetic devices within two days of being released from surgical care.

A second Amputee Center was opened at Brooke AMC and the process for contracting for the necessary supplies and services improved significantly as a result of the lessons learned from the NARCO and WRAMC experiences.

The Business Operations Branch provides direct administrative support to the Commander/PARC and RCOs, HCAA and MEDCOM.

U.S. Army Contracting Command, Europe (USACCE) Completes Unique Birthing Center

The USACCE Regional Contracting Office-Italy (RCO-I) has completed the Dr. Frank V. Benincaso Mother and Infant Pavilion at Caserma Ederle in Vicenza — the only stand-alone birthing center in DOD. Thanks in part to RCO-I efforts, Army families now have something they lacked — continuity of U.S. standard quality healthcare before, during and after childbirth.

Cost Savings

This \$3.2 million contract, nearly \$1.2 million under the independent government estimate, was awarded in just 38 days, with a performance period of only 150 days to design and construct a state-of-the-art medical facility. It added a critical capability to the medical staff at a crucial time of record births. The rapid award and construction of the birthing center was critical to the Southern European Task Force (Airborne) (SETAF) families and essential to their morale.

Morale Builder

The long-term positive impact of the birthing center on the morale of young military families is immeasurable. The local Italian hospital, with the language barrier and differences in care, can be intimidating to young families away from home for the first time. "The facility means a great

deal to the Soldiers of the twice-deployed SETAF and 173rd Infantry Brigade," said LTC John Alvarez, Deputy Commander of the Vicenza Health Clinic. "Now the Soldiers can do their mission, in part, because they know we are taking good care of their loved ones."

A Team Effort

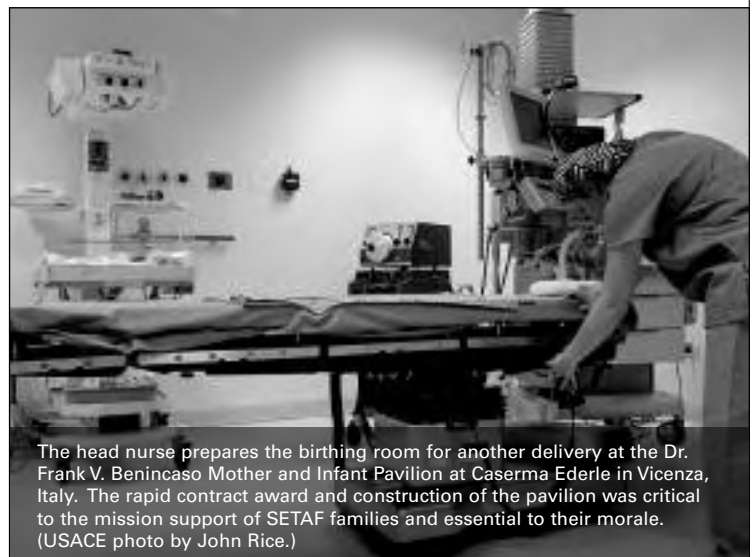
According to Bill Delozier, the Contracting Officer's Representative and Project Manager, in October 2004, the Vicenza Deputy Director of Public Works (DPW) requested USACCE to contract for this project and team with the U.S. Army Corps of Engineers (USACE) Vicenza Resident Office to provide inspection and quality assurance during construction.

This was a design-build contract with the European Region Medical Command reviewing and approving the design. DPW and the Naval Regional Office in Charge of Construction provided technical review and approval for those areas involving the Italian building codes. USACCE's Engineering Branch provided design review support in the mechanical and electrical disciplines.

USACCE's supplies and services contracting team partnered with the construction team to procure the medical equipment. Medical equipment vendors joined the team and enhanced overall success by identifying essential medical equipment that had been overlooked during design. Construction was completed in May 2005 with the grand opening the following month.

One Stop — No Traveling

The pavilion, named for retired Army Medical Corps COL Frank V. Benincaso, a pediatrician who worked for 13 years in the installation's health clinic, provides full services for mothers expecting normal deliveries and can manage the



The head nurse prepares the birthing room for another delivery at the Dr. Frank V. Benincaso Mother and Infant Pavilion at Caserma Ederle in Vicenza, Italy. The rapid contract award and construction of the pavilion was critical to the mission support of SETAF families and essential to their morale. (USACE photo by John Rice.)

birth and care of up to four babies daily. High-risk pregnancies are still referred to more advanced medical facilities. Alvarez recalled that before the facility was built, expectant mothers would receive care here for the first seven to eight months, and then go elsewhere for the actual delivery and follow-up care. "They would have to go back to the states or up to Landstuhl Regional Medical Center in Germany. They'd have to go to Aviano [Italy] or they'd go to a host-nation hospital." Now, a woman is treated by the same physician, obstetrician and gynecologist in the same location throughout her pregnancy and after. The new birthing facility is designed to handle it all.

"Delozier understood the complexity of building a medical facility," said Alvarez. "His experience in Europe also helped him understand the complexity of having an Italian firm design a U.S.-specification medical facility and all the challenges that involved. The USACE was critical in making that building," he concluded.

Editor's Note: Lou Fiota, USACE North Atlantic Division, contributed to this article.

Army Contracting Agency-Pacific Region (ACA-PR) Supports Soldier Housing

Kurtis Kikkawa

Housing for Redeploying Soldiers

MAJ Lynda Royse, Regional Contracting Office-Hawaii (RCO-H), was instrumental in awarding two significant command contracts for short- and long-term off-post housing for assigned and single Soldiers redeploying from the global war on terrorism. The U.S. Army Garrison-Hawaii (USAG-HI) was tasked to provide short-term off-post housing for 200 redeploying Soldiers returning from *Operation Iraqi Freedom* during the Christmas holidays. Royse had to think outside the box, explore new avenues and consider innovative approaches to meet this formidable requirement. She faced a tight and expensive rental/lease market on the Island of Oahu, HI, with the occupancy rates for hotels at more than 80 percent and rental property close to 90 percent. Additionally, Soldiers were required to live within the same area for ease of battle command and transportation. Royse quickly and efficiently solicited and awarded a \$450,000 contract in 35 days. In a second instance, Royse quickly obtained long-term housing for 450 Soldiers

transferring to Hawaii to support Army transformation and the Stryker Brigade Combat Team (SBCT). She developed and issued the solicitation package, reviewed proposals and awarded the \$7.5 million contract within 45 days. Because of excellent negotiating skills and an innovative approach to share costs, Royse saved USAG-HI approximately \$4.5 million.

Support for New SBCT

Tina Johnston and Donna Campbell of RCO-H worked on a cost-plus award fee (CPAF) contract with a base period and four 1-year options worth approximately \$65 million. The follow-on requirement is estimated between \$150 million to \$175 million including a substantial increase in future logistics support for a new SBCT, an upgraded Modular Brigade Combat Team and a deployable operational major command with ancillary units. The new mission reflecting an Army in transformation, required a different contract approach with close coordination and collaboration with the customer, command group, Small Business Administration, small business specialist, legal and ACA-PR. After much deliberation, the team decided to keep the CPAF feature to provide short-term incentives for the contractor while giving the commander greater flexibility in responding to a dynamic mission environment and to use three 1-year award-term options for long-term contractor motivation and stability to the command. The key marketing document for approval of this innovative contracting concept was the Acquisition Strategy Plan (ASP). Because of the estimated dollar value, it required the Director, Army Contracting Agency approval — a first for ACA-PR. The team worked diligently in planning, developing, coordinating and completing the ASP following ACA procedures.

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Determining Best Value — A Contract Pricing Perspective

Chris Burchstead



Unlike other aspects of Army acquisition, *pricing*, conceptually at least, is something we have all experienced since buying our first automobile. Although we don't customarily concern ourselves with justification and approval or formal source selection plans, by the time we enter the acquisition workforce, we have been exposed to practically every cost and pricing technique used in the trade. However, when it comes to government contracting, many contract specialists tend to think of pricing as some bizarre ritual with numbers. Although I have had a successful career by perpetuating this illusion, it's time to shed some light on the subject.

I would like to suggest that contract pricing is little more than home economics with flashier catch phrases. "Window shopping at the mall" becomes "market research," your paycheck is euphemistically referred to as "cost as an independent variable" and "I'm not paying for undercoating" is basically a trade-off analysis. The key to understanding the concept of "fair and reasonable" is *value*, not price.

To begin with, money has no intrinsic value — it is only worth what you can buy with it. I realize that sounds trite, but bear with me. Contract specialists are forever running into my office with a single page from a cost proposal exclaiming, "They want a million dollars! Is that okay?" When I ask what they are buying, they look at me funny, as if to say, "What difference does that make? We're talking about a million bucks here."

I think of value not in terms of what I'm spending, but rather what I'm getting. You need to concentrate on what you are buying rather than how much you are paying for it. And it's not just what you are buying but also how you are buying it. The circumstances surrounding the acquisition are crucial to value analysis.

There are only two ways to determine price: what a product sells for on the open market (price analysis) and what it costs to make it (cost analysis). And because cost rates are determined by market conditions, *cost analysis* should always

be supplemented by some form of *price analysis*. The value of what we are purchasing is going to fit somewhere in this scenario. The job of the price analyst is to ensure that the value of the government's purchase adequately reflects the price. As *Federal Acquisition Regulation (FAR) 15.402* states: "Purchase supplies and services from responsible sources at fair and reasonable prices."

Notice the policy does not say purchase at the lowest price; negotiation comes later. At this stage we need to establish and document relative value. There is subjectivity in determining value and, as individuals, we have very different views of how this should play out. I know people who would drive to northern Maine [from Natick, MA] to save a few cents on a gallon of gas. I'm not advocating waste, but I have other things to do. Of course it's one thing for me as an individual to entertain a subjective view of value, but what about the public's best interests? To contain subjectivity on a more or less even playing field, we have regulations. One of the things that intrigues me most about pricing is the fact that contract specialists have shelves of regulations, but almost everything we need to know about pricing is captured on a couple of pages. Okay, this is a little bit of a stretch, but taken in conjunction, *FAR 15.403* defines adequate price competition and *FAR 15.404* defines price analysis. This is all you need to get the job done correctly. Check it out.

As much as I'm tempted to deride regulations, I have to marvel at the conciseness and clarity of this one. The concept of "best value" was substituted for "low bidder" at the time of the *FAR Part 15* rewrite when the acquisition reform initiatives were introduced. Notice the definition of *adequate price competition* specifically avoids mentioning how close the comparative prices should be. This is another concession to the importance of value in making these determinations. My favorite analogy is a 2-liter bottle of soda costs twice as much in a convenience store as it does in the supermarket. Why is that? Because you're not buying the same thing. At the supermarket, you're buying soda, whereas at the convenience store, you're buying convenience. By the way, supermarkets go out of business every day, but there's a convenience store on every block. What does that suggest about value?

Another interesting nuance about competition is that you don't necessarily need signed official offers for validation. *FAR 15.403-1(c)(ii)* alludes to a "constructive" competition that is inherent in the open market. A store really only needs to be open and in business to qualify as competitive. I realize that the contracting officer requires the formality of proposals, but that the price analyst should make full use of

the implied competitive nature of the market — with appropriate rationale, of course.

Notice too, the policy focuses on requiring the least amount of data necessary to determine a fair and reasonable price. *FAR 15.402* states: “In establishing the reasonableness of the offered prices, the contracting officer must not obtain more information than is necessary.” It’s the lawmakers way of saying, “use your own judgment.”

Sometimes you just can’t get everything you want, and this brings us to *trade-off analysis* or, as I call it, reintroducing subjectivity into the public discourse. You already know how it works — if you want high quality fast, it’s going to cost a bundle. If you can wait long enough, you can probably get quality at a decent price. And of course, if you want it fast and cheap, the quality will suffer. So what will it be?

I suggest establishing a few critical performance criteria upfront by asking the offerors to define the cost drivers for each. If you can get a price tag on your salient features, you will be ready to discuss trade-off at the outset. Both you and your contractor will know what value you’re looking for. Don’t wait until after the proposals are received to bring up the prospect of trade-offs. Yes, that’s obvious, but I’ll bet it happens more often than not.

As a price analyst, I have to admit that I introduce my own subjectivity into the process. For example, I won’t hold up an award for a 2-month audit of a contractor’s overhead rate. With deference to the outstanding Defense Acquisition University pricing courses, I don’t need to do a regression analysis to anticipate the contractor’s business profile. Besides, I can always get an audit later and resolve issues during one of the ubiquitous changes. The learning curve analysis may shave big bucks off a Detroit automotive assembly line operation, but a National Industries for the Severely Handicapped workshop manufacturing Army equipment is more likely to experience a “teaching” curve. A detailed future value of money analysis looks great on a spreadsheet, but it only works if interest rates are consistently rising. (By 13 percent, if you believe the economic model. Check it out. If you know where this utopia is, we need to talk.) Time is of the essence. After all, time is value. A contract delay at this stage of the game translates into months of depriving the warfighter of the latest technology and equipment — that’s not value.

Finally, a word about where the home economics approach to contract pricing does not work. I’m advocating a broad,

all-encompassing approach to pricing using inherent market conditions. And even though I’m theorizing that contract pricing emulates home economics to a large extent, I’m in no way alleviated from the responsibility of documenting my conclusions. This is where the similarity ends. I’ve given up asking my wife for her justification for buying the two hundred pounds of bird seed (apparently it was on sale), but when it comes to contract pricing, I can’t afford such lapses in judgment. Your best and most innovative efforts are for naught if the Government Accountability Office shows up one day asking for a copy of your price analysis and you don’t have one.

Chris Burchstead is a Procurement Analyst at the U.S. Army Research, Development and Engineering Command Acquisition Center, Natick, MA. He can be reached at DSN 256-4622 or chris.burchstead@us.army.mil.

Surface Deployment and Distribution Command (SDDC) — Making a Difference for Our Soldiers

Rosemary Kemp

SDDC is responsible for global surface deployment command and control and distribution operations to meet national security objectives in peace and war. The SDDC Acquisition Center, Alexandria, VA, awards and administers global distribution services contracts for DOD, including worldwide movement of military and civilian privately owned vehicles (POVs) and personal property storage.

Principal Assistant Responsible for Contracting Frank Gior-dano oversaw the recent award by William Mills, Contracting Officer (KO), and Craig Robinson, Chief, SDDC Contracting Center, for 22 performance-based contracts under the \$1.2 billion Universal Services Contract 05 program.



SDDC contractors unload a Black Hawk helicopter from a U.S. Navy ship at a commercial port. (Photo courtesy of SDDC.)

This commercial liner service is the primary source of cargo movements for *Operations Enduring* and *Iraqi Freedom*, Hurricane Katrina and the Pakistan earthquake humanitarian relief aid, and other military exercises and unit moves including specialized transportation requirements for Afghanistan, Iraq and Qatar.

Loading and unloading vessels safely and timely is a key role in preparing Soldiers for worldwide combat. Seven contracts and numerous basic ordering agreements provide these stevedoring and related terminal services (S&RTS) to SDDC transportation terminals at Sunny Point, NC; Charleston, SC; Beaumont, TX; Concord, CA; Seattle, WA; and Jacksonville and Cape Canaveral, FL. S&RTS KOs Kathleen Jones, Cathy Keith, Robin Thomas, Joyce Koon, Connie Finnegan, Ron Shepard and Bryan Stroud ensure that millions of tons of unit equipment and supplies reach their destinations on time.

Kathleen Jones awarded the 10-year award term Global POV Contract (GPC), a \$1.9 billion program, for the worldwide logistics management, transportation and storage of POVs belonging to service members and DOD civilian employees. Considering POVs as major possessions, the shipment of POVs on time and damage-free is seen as a significant quality-of-life issue. This award term contract has proven very successful in keeping the contractor highly motivated in providing outstanding service for the U.S. service member, even going beyond the basic contract requirements. As an example, despite making every effort to safeguard POVs from Florida and Gulf Coast hurricanes, unavoidable damages occurred. Though the contract did not hold the contractor liable for damages caused by acts of nature, the contractor compensated members for POV damage. This act of goodwill minimized the financial burden on the service members, many of whom had suffered significant loss and damage to their homes, other property or both. In addition, GPC successfully managed two major Army unit moves, the 1st and 2nd Infantry Divisions from Hawaii and Schweinfurt, Germany, respectively. This resulted in a surge of 13,500 POV shipments over the summer peak season, while continuing to achieve customer satisfaction and on-time delivery rates that exceeded 96 percent.

KO Ray Jones awarded SDDC's primary *Federal Acquisition Regulation (FAR)*-based contract, meeting DOD's surface transportation needs for movement of DOD freight traffic and U.S. government shipments of foreign military sales material throughout CONUS. The Tailored Transportation Contract for Freight of All Kinds (TTC/FAK) provides reliable, cost-effective CONUS movement of DOD freight by



Contractors unload a Chinook helicopter from a U.S. Navy ship at a commercial port so it can undergo needed repairs. (Photo courtesy of SDDC.)

truck. The TTC/FAK contracts represent the first successful transition from guaranteed traffic tendered rates to *FAR*-based contracts for all long-term or recurring DOD surface freight transportation requirements. The TTC has 70 contracts and incorporates provisions that will transition 19 Defense Logistics Agency depots from TTC/FAK to the Defense Transportation Coordination Initiative, once implemented by the U.S. Transportation Command.

For more information, contact Rosemary Kemp at (703) 428-2036/DSN 328-2036 or kempr@sddc.army.mil.

Rosemary Kemp is an SDDC Business Support Division Procurement Analyst.

Contracting and Acquisition Career Program Roadmap

Kimberly Buehler

In 2005, Deputy Assistant Secretary of the Army for Policy and Procurement Tina Ballard commissioned a group of strategically selected senior leaders to provide direction and insight into several issues facing the Army contracting and acquisition community, and workforce development was one of the key issues. The goal was to provide clear and concise career development guides for the community. The result of these efforts is the *Contracting and Acquisition Career Program Roadmap*, published in June 2006. The *Roadmap* offers careerists an understanding of education, certification, leadership competency skills and career advancement criteria for each career field series:

- 1102 — Contracting
- 1105 — Purchasing

- 1150 — Production, Quality and Manufacturing
- 1103 — Industrial/Contract Property Management

The *Roadmap's* overarching objective is to develop career guides for the contracting and acquisition workforce and to ensure that the Army has well-trained and highly skilled professionals empowered to carry out its mission. It also helps careerists make informed decisions about their career at each level — from intern to senior executive service.

The *Roadmap* supplements the Contracting and Acquisition Army Civilian Training, Education and Development System (ACTEDS) and the individual development plan (IDP). Careerists should use the *Roadmap*, ACTEDS and IDP to shape their near- and long-term career developmental goals. The *Roadmap* helps careerists, supervisors and Army contracting senior leaders share an understanding of an individual's career expectations and goals. The *Contracting and Acquisition Career Program Roadmap* is available now to help careerists make critical career choices.

To review the *Contracting and Acquisition Career Program Roadmap*, please visit the Contracting Career Program (CP-14) Office Web site at http://asc.army.mil/docs/briefings/2006_pcots/060713_panel/creagh_Roadmap_final.ppt#277,1,Slide 1. To review a *Roadmap* briefing from the July 2006 Procuring Contracting Officer Training Symposium, go to <http://asc.army.mil/events/conferences/2006/pco/briefs.cfm>.

Competitive Professional Development (CPD)

CPD offers career development and training opportunities for CP-14 personnel including university training, executive education, short-term training and developmental assignments. The target audience is CP-14 professionals serving in the 1102, 1103, 1105 and 1150 series who can benefit from advanced education in business-related subjects or experiential assignments to broaden perspectives. Selection for CPD opportunities is competitive. CPD covers all training costs including tuition, books and required travel.

For information about CPD and training, education and development opportunities, visit the CP-14 Web site at <http://asc.army.mil/programs/cp/default.cfm>.

Frequently Asked Questions About Defense Acquisition University (DAU) Contracting (CON) Level II Curriculum

Q: Why did DAU change the CON Level II curriculum?

A: DAU revised the CON Level II core curriculum in response to the *Defense Procurement and Acquisition Policy*

Memorandum, dated Dec. 23, 2005. The new curriculum incorporates the new competencies necessary to further develop a motivated and agile workforce of contract business strategists.

Q: What is the new curriculum?

A: The Level II Contracting curriculum, which consisted of CON 202 — Intermediate Contracting; CON 204 — Intermediate Contract Pricing; and CON 210 — Government Contract Law, is replaced by five new core courses:

- CON 214 — Business Decisions for Contracting (distance learning, 24 hours).
- CON 215 — Intermediate Contracting for Mission Support (classroom, 8 days).
- CON 216 — Legal Considerations in Contracting (distance learning, 30 hours).
- CON 217 — Cost Analysis and Negotiation Techniques (distance learning, 40 hours).
- CON 218 — Advanced Contracting for Mission Support (classroom, 9.5 days).

CON 214 is a prerequisite for CON 215 and CON 214-217 are prerequisites for CON 218.

Q: I did not complete all CON Level II courses under the old CON curriculum. Do I have to retake all DAU CON Level II training under the new curriculum?

A: No. DAU maintains a listing of predecessor courses. Students who have completed predecessor courses may use them to meet prerequisite requirements and/or receive credit for them toward *Defense Acquisition Workforce Improvement Act* certification. The following is the course list with predecessors for the new CON Level II curriculum:

- CON 214 and 215 (CON 202)
- CON 216 (CON 210)
- CON 217 (CON 204)

DAU also developed the CON Level II conversion matrix by matching the former curriculum objectives to the new curriculum's competencies and learning objectives. Since the new curriculum continues the conversion from stovepiped to integrated training, there is not a one-for-one course conversion.

Q: What do I need to complete for CON Level II certification?

A: A complete list of certification requirements can be found on the DAU Web site at <http://www.dau.mil/catalog/default.aspx>.

For information, contact Kimberly Buehler at (703) 805-1254/DSN 655-1254 or kimberly.buehler@us.army.mil.

Kimberly Buehler is the Civilian Recruitment Manager for the Contracting and Acquisitions Career Program.

Former Acquisition Leader Wins Presidential Award



Daniel G. Mehney, former Director and Principal Assistant Responsible for Contracting of the U.S. Army TACOM Life Cycle Management Command (LCMC) Acquisition Center, capped off a brilliant career after receiving the prestigious Presidential Rank Award at a Pentagon ceremony

on Jan. 20, 2006. Mehney was cited for his "exceptional long-term accomplishments."

The Presidential Rank Award recognizes strong leaders, professionals and scientists who achieve results and consistently demonstrate strength, integrity and relentless commitment to excellence in public service. It is considered the most prestigious recognition afforded to career professionals. Mehney previously received this award in 1999, and was also recognized for exceptional service in 2004 with a DOD Certificate of Appreciation signed by then Deputy Secretary of Defense Paul Wolfowitz, "For outstanding teamwork and exceptional contributions in contracting in support of the reconstruction of Iraq."

On June 2, 2006, after 40 years of government service, Mehney retired from the TACOM LCMC Acquisition Center. We honor his dedication to service, his commitment to excellence and his caring leadership. He will be missed.

DAR Council Corner

Barbara Binney

Combating Human Trafficking

The Trafficking Victims Protection Reauthorization Act of 2003, as amended by the Trafficking Victims Protection

Reauthorization Act of 2005, addresses the victimization of countless men, women and children in the United States and abroad. The U.S. government believes that its contractors can help combat human trafficking. 22 U.S.C. 7104(g) requires contracts to contain a clause allowing the agency to terminate if the contractor or subcontractor engages in severe forms of human trafficking, has procured a commercial sex act or used forced labor in the performance of the contract. For this purpose, "contractors" includes the contractor's employees.

To implement the law, the Civilian Agency Acquisition Council and the DAR Council have added *Federal Acquisition Regulation (FAR) Subpart 22.17* with an associated clause at 52.222-50, which address combating human trafficking. The interim rule applies to contractors awarded service contracts (other than commercial service contracts under *FAR Part 12*). Such contractors must develop policies to combat human trafficking. The clause lists remedies, including termination, which may be imposed on contractors that support, promote or fail to monitor the conduct of their employees and subcontractors. *Federal Acquisition Circular (FAC) 05-09*, which contains the interim rule on combating human trafficking, can be found at <http://acquisition.gov/far/fac/fac2005-09.pdf>. A recorded webcast on the subject is available at <http://view.dau.mil/dauvideo/view/eventlisting.jhtml?eventid=1053>.

Submission of Cost or Pricing Data on Noncommercial Modifications of Commercial Items — FAR Case 2004-035

This final rule amends the interim rule issued in *FAC 2005-004* and implements an amendment to 10 U.S.C. 2306a. The policy requires that the exception from the requirement to obtain certified cost or pricing data for a commercial item does not apply to noncommercial modifications of a commercial item that are expected to cost, in the aggregate, more than \$500,000 or 5 percent of the total contract price, whichever is greater. *Public Law 108-375 (Section 818)*, the *Ronald W. Reagan National Defense Authorization Act of Fiscal Year 2005*, applies to submitted offers, and to contract and subcontract modifications made on or after June 1, 2005. This new policy results from a statute that changed 10 U.S.C. 2306, applying only to contracts, task or delivery orders funded by DOD, NASA and the U.S. Coast Guard. However, the policy does apply to contracts awarded, tasked or delivery orders placed on their behalf by an official of the United States outside of those agencies because the statutory requirement of *Section 818* applies to the funds provided by those organizations. The change to the interim rule clarifies the policy